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BEFORE THE ARIZONA STATE TRANSPORTATION BOARD

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REPORTER'S TRANSCRIPT OF PROCEEDINGS

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Northern Arizona University

Cline Auditorium

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Flagstaff, Arizona

June 4, 2008

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5:00 p.m.

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22 PREPARED FOR:

K.D.A.

23 (Copy)

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Court Reporter

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1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before the
3 Arizona State Board of Transportation, Flagstaff, Arizona,
4 Commencing at 5:00 p.m.on the 4th day of June, 2008.

5

6 BEFORE: Arizona State Board of Transportation

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 MR. S.L. SCHORR
 Chairperson;

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 MR. VICTOR MENDEZ
 MR. BILL FELDMEIER
 MS. BOBBIE LUNDSTROM
 MR. FELIPE ZUBIA
 MR. BOB MONTOYA
 MR. RICHARD TRAVIS

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 ALSO PRESENT:
 MS. MARY CURRIE,
 Executive Assistant to the Deputy Director

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Flagstaff, Arizona
June 4, 2008
5:00 p.m.

P R O C E E D I N G S

MR. S.L. SCHORR: Good evening, and welcome to a special State Transportation Board public hearing. Now, the purpose of this hearing is to receive public comment on the proposed Public Statewide Transportation Investment Strategy, which, throughout the framework studies, which this board initiated and funded about a year ago.

Tonight's hearing is the first of four meetings. The second will be in the Town of Marana, on June 9th, the third at Phoenix Convention Center on June 11th, and the final one in Tucson.

My name is Si Schorr, and I'm the Chairman of the State Transportation Board. With me this evening are Ms. Bobbie Lundstrom from Nogales; Bill Feldmeier from Prescott; Mr. Felipe Zubia from Maricopa County; Victor Flores is not here this evening; and last but not least, Bob Montoya from Flagstaff.

Before we proceed, I will ask Bob if he will lead us in the Pledge of Allegiance.

(The Pledge of Allegiance.)

MR. S.L. SCHORR: The agenda for tonight will start with the presentation by our director, Victor

1 Mendez, then we will be asking for folks in the audience
2 to comment. I have here a bunch of slips from people who
3 have asked to speak. And if there is anyone else that
4 wants to speak, I would appreciate it if you would fill
5 out one of these slips and give it to our secretary there,
6 who is down here, Mary Currie.

7 Also, when you do speak, we would appreciate it
8 if you would clearly recite your name, address and
9 representation for the record.

10 Now, since there is a limited amount of time, and
11 we know everyone wants to be heard, we will ask that
12 representatives of groups and the local councils of
13 government please limit themselves to no more than seven
14 to ten minutes for their presentation. Individual
15 speakers should limit themselves to comments of no more
16 than three minutes. And Mary Currie will be having a
17 little clock, which she will try to alert me with as to
18 the time.

19 And without further adieu, Victor, would you
20 would you present?

21 MR. VICTOR MENDEZ: Good afternoon everyone.
22 What I would like to ask the Board is that you should
23 probably come up here to the front because the screen is
24 behind us. That way, you will be able to follow the
25 presentation. Thank you.

1 Thank you very much.

2 Thank you once again and good afternoon. For the
3 record, I am Victor Mendez. I am the Director at the
4 Arizona Department of Transportation. Let me just provide
5 you with some brief preliminary comments and then I will
6 jump into my presentation here.

7 As you are aware, over the past many years, we
8 have taken a real hard look at the importance of
9 transportation, what it means to our quality of life, what
10 it means to the economy. And so it is important for us to
11 keep that in mind. You know, when we step back away from
12 the various plans, the various studies, obviously there is
13 an initiative out there, but if you just step away from
14 all that, I think the bottom line as we look at issues is
15 what does transportation mean to not only the state of
16 Arizona now but for future generations. And I would ask
17 you to keep that in mind.

18 Arizona is, in fact, at a crossroads with regards
19 to transportation funding. Our current funding currently
20 cannot keep pace with the tremendous growth that we have
21 experienced for the past decade. And we will continue to
22 experience that in the future.

23 I think right now, as we are all aware, we have
24 an economic downturn. But if you consider beyond the next
25 maybe two to three years, we know we are going to continue

1 to grow. And so the question becomes: Will we be
2 prepared for that?

3 The other thing to keep in mind, of course, is
4 that we have already grown a lot. Quite often, as you are
5 aware, we all travel once a month to a locale throughout
6 the entire state and meet with the local officials and
7 community leaders and the public. And if you think back
8 to where Arizona was ten years ago and where we are now, a
9 lot of communities really are not rural anymore. They are
10 small urban areas, and you think about Kingman, Yuma,
11 Sierra Vista. What we maybe at one time may have thought
12 were rural areas maybe aren't so rural anymore, they have
13 grown. And the whole state is that way. So if you think
14 about that, clearly our needs are very diverse throughout
15 the entire state in terms of providing solutions. We also
16 need diverse solutions.

17 Within the next two to three programming cycles,
18 all of you understand the process you go through. You
19 have a five-year program, every year you have a new fifth
20 year. Outside of Maricopa County and Pima County, this
21 year, you are working on fiscal year 2013. And in fiscal
22 year 2013, you have \$82 million available to allocate for
23 major improvements on our state highway system throughout
24 the entire state. So when you consider that amount of
25 money -- now, \$82 million in my bank account is lot of

1 money, but when you consider that in relation to
2 transportation, it doesn't do a whole lot for you. We
3 will be lucky to get maybe four major projects or
4 improvements on the State highway system outside of Pima
5 and Maricopa County.

6 Now, it's my estimation in the next two or three
7 programming cycles, when you are looking at the years 2015
8 and 2016, that 82 million is going to dwindle pretty much
9 to zero. That means that on a state-wide basis we are
10 basically going to be in a maintenance mode. We will be
11 able to preserve our existing infrastructure, our current
12 assets, but beyond that, making any major improvements
13 will really be beyond our reach financially.

14 Up to this point in time, we, in fact, have
15 already been deferring some maintenance. At some point,
16 we have to refocus on maintenance issues. And again, my
17 estimation, two to three cycles from now, we will be
18 facing that unless something changes. So we really are in
19 the position right now where we must really act now and
20 invest in transportation.

21 And you know, it's important for us to help
22 preserve the quality of life and really our economics for
23 the future.

24 I think we all understand that a solid
25 transportation infrastructure is really very essential to

1 maintaining a robust economy because we want to continue
2 to attract jobs, and we want to insure that people and
3 goods move efficiently throughout the entire system.

4 As I mentioned earlier, if you look through the
5 the entire state, the growth has been tremendous and
6 really has been different.

7 For example, I like to use this example: Our
8 growth patterns are very different throughout the entire
9 state. My example is that, you think about the City of
10 Tempe right now, they basically have grown up to their
11 limits. About the only way that they can grow is now
12 vertically. And if you consider the transportation
13 solutions for Tempe, they are going to be very different
14 than the solutions that are necessary, let's say, in
15 Holbrook or Flagstaff, or even within the MAG region, or
16 the Maricopa Association of Governments region. Even when
17 you consider how they would have a different solution
18 than, let's say, the City of Buckeye.

19 So I think it's important for us to keep in mind
20 that our solutions need to be diverse, simply because the
21 needs out there are very diverse.

22 The investment strategy that I will present to
23 you here shortly is based upon decades of study, upon a
24 lot of dialogue that we have had in the past, probably
25 year and a half, with a lot of the major stakeholders

1 throughout the entire state. And it's also based on a lot
2 of program delivery experience. We have a lot of
3 experience in delivering major systems, not just within
4 ADOT but with the local governments, the local entities.
5 I think bringing that experience forth to identify
6 solutions has been critical for us.

7 The investment strategy is, in fact, a statewide
8 comprehensive approach. It included input from the
9 Councils of Governments, the Metropolitan Planning
10 Organization, all the tribes throughout the entire state,
11 our ADOT district engineers and many other stakeholders
12 that included elected officials through various dialogue;
13 included a lot of business leaders and a lot of civic
14 leaders.

15 Of course, today, we do have our public hearing
16 and we will have a few more, as you mentioned, Mr. Schorr,
17 to again engage the public in that discussion.

18 So the bottom line is, as we move toward the
19 future, we need diverse solutions to address our very
20 diverse needs throughout the entire state.

21 Within the investment strategy, I also believe
22 that there is an opportunity to help us accelerate or
23 deliver some projects earlier than planned. And so I
24 think it's important to also keep that in mind. Not only
25 are we talking about delivering projects, but there might

1 be some opportunity to actually accelerate in some cases
2 some of the existing projects.

3 As you mentioned, Mr. Schorr, there are going to
4 be three additional public hearings, and I don't recall --
5 you went through the schedule so I won't reiterate that.

6 And then finally, I do want to state that as an
7 agency, we are clearly not in a position to be supporting
8 or campaigning a specific initiative. So I think I want
9 to make that clear to the public here. I'm not here
10 speaking on behalf of the initiative. I am here to give
11 you the analysis that the Department actually developed in
12 concert, as I said, with many experts throughout the field
13 of transportation.

14 But it's important to also recognize that the
15 TIME Coalition did utilize our information to create the
16 initiative. And the initiative, of course, is based upon
17 a one penny increase in the State sales tax for 30 years.
18 And that generates approximately \$42.6 billion for
19 transportation. I also think it's important to recognize
20 that the effective implementation of the tax itself is not
21 until January of the year 2010.

22 So with that as a brief background, let me jump
23 into my presentation.

24 The map that you have there in front of you, and
25 seems like it might be a little difficult to see, but it's

1 a map of the United States, and it detects 20 megapolitan
2 areas throughout the United States where it's estimated
3 that 65 percent of the population between now and the year
4 2050 will reside within the megapolitans.

5 Now, while Arizona continues to be among the
6 fastest growing states in the country, our transportation
7 funding is not keeping pace with that. Transportation is
8 currently funded through Federal and State fuel taxes, the
9 Arizona vehicle license tax and Arizona vehicle
10 registration fees and various other transportation user
11 fees. However, both the federal and the state gas taxes
12 have been frozen since the early 1990s. So it's
13 interesting that we're trying to build a transportation
14 system for the 21st century using a system that is about
15 20 or 30 years old. And it's very difficult to really
16 accomplish that as we move forward.

17 Overall, our transportation funding sources have
18 been slowing down, construction costs have been rising,
19 and operating costs and our debt service is, in fact,
20 rising. And throughout the various things that you hold
21 here, you listen to all that year after year.

22 Construction costs to build infrastructure in
23 Arizona have risen 60 percent in the past five years due
24 to global demand and cost for diesel, gasoline, asphalt
25 steel and concrete. And it is my sense that as we move

1 towards the future that trend will probably continue. So
2 it is something we have to keep in mind. Maybe right now,
3 with the economy the way it is, things may have
4 stabilized, but as soon as the economy picks up -- and I
5 can tell you that China and India are still growing, so we
6 are competing on a global basis for a lot of commodities.

7 So not only are the tax dollars by and less
8 today, we are also now paying a time tax. And that's the
9 tax of the time that we now spend when we are stuck in
10 traffic away from our homes, our families and our
11 communities. So again, it's important for us to keep in
12 mind that congestion and being stuck in traffic does cost
13 us something.

14 On the Arizona front, the state's population is
15 projected to nearly triple over the next 40 years. And as
16 I mentioned, again, we just simply have a lot of
17 challenges, global competition with regard to a lot of our
18 materials and costs. You have a lot of issues with regard
19 to the environment, a lot of environmental regulation that
20 requires us to look at a newer and better way for us to
21 preserve our natural environment. And then, of course,
22 it's important for Arizona to be able to offer a really
23 high standard or quality of life for our citizens.

24 You have heard me say this before, and I probably
25 will continue saying this: At the pace that we're going,

1 the pace that we're growing, the issues that I've
2 described, the challenges that we face as a state, really
3 doing nothing is not an option. If we simply are, I guess
4 to some degree, satisfied with where we are today, it
5 simply is going to get worse. So it's going to be
6 important for us to look toward the future and try to
7 envision what that looks like under various scenarios.
8 Again, doing nothing does not look very good me.

9 We do need a sustainable diverse range of funding
10 options to be able to create a solid transportation
11 infrastructure. Once again, maintain the economy, attract
12 jobs, and have people move efficiently, and products move
13 efficiently throughout the system.

14 You've seen these charts, and I am not going to
15 dwell on these other than a lot of scenarios that do play
16 out with regard to potential future growth. On the
17 left-hand side, where we are today, 2005, where we have
18 about 5 million people residing in Arizona, by the year
19 2050, estimates are that we will have about 14 million
20 people residing in Arizona. A good concentration of them
21 in what is now termed as the Sun Corridor, and that's the
22 megapolitan area that stretches from Yavapai County,
23 Prescott area, through Phoenix, Tucson, all the way down
24 south to Nogales and the Sierra Vista area.

25 So that is a major challenge that we in Arizona

1 face, and it's important for us to think about how that
2 will evolve and how transportation will play a major role
3 in how that actually will occur in the future.

4 Now, if you recall, we actually started a lot of
5 planning about two years ago in concert with the MPO and
6 COG Association. Late last year, the Governor, we started
7 planning which became known as a reconnaissance study.
8 And that eventually has evolved into framework studies,
9 and then through that process, the Governor did, in fact,
10 ask us to deliver to her a list of critical needs. And so
11 we have done that. And actually what we did, we went
12 through once again, a very condensed, very targeted and
13 focused effort in trying to identify those critical needs.

14 On a statewide basis, we identified critical
15 needs to the tune of \$165 billion, which is a very massive
16 number if you really think about that. You see the
17 breakdown here on the chart. We've looked at highway
18 issues, about 110 billion, the public transportation issue
19 at about 25 billion. And then at the local level, a
20 consistent and clear method from local municipalities.
21 They have needs at the local level, and the question
22 becomes how will they be able to actually address those
23 needs at the local level? So what we identified was about
24 \$30 billion worth of local needs at the local level.

25 As I mentioned, it's important to keep in mind

1 that we did coordinate that information through a lot of
2 our planning experts. We did include the tribes and many
3 other folks as we went through that process.

4 So let me jump into the investment strategy
5 itself. I will give you some details on this, so please
6 bear with me. This is what it looks like on an overall
7 approach. We identified four major components to our
8 investment strategy.

9 The first strategy is to allocate 58 percent of
10 the 42 billion to what we term strategic highway. Now,
11 three percent of that is actually targeted toward
12 environmental conservation. And it's an issue that I like
13 to remind people, when we build infrastructure, actually
14 fairly massive infrastructure as we do in transportation,
15 we certainly do have an impact to the environment, and we
16 have heard that consistently throughout the last couple
17 decades. The question then becomes: What can we do to
18 minimize that impact to the environment? So that
19 three percent is really targeted toward those issues.

20 The best example I can give you, as you are
21 aware, we have created in concert with a lot of people a
22 wild life linkages plan. And really, that is a plan that
23 developed with Game and Fish, with federal agencies, such
24 as Fish and Wildlife and others. So one of the things
25 that we would like to do because of the impact that

1 transportation has on wildlife is to find a way to address
2 those issues.

3 Now, from my standpoint, I can tell you, as
4 director, my issue has always been safety for the
5 traveling public. Now, if you talk to the environmental
6 communities and conservation communities, their issues are
7 the wildlife; how are we protecting wildlife? Through
8 this approach, we really have mutual interest, if you
9 think about it. And with this approach, we will be able
10 to address a lot of those items.

11 Now, the remaining 55 percent is dedicated to
12 strategic highways that we identified throughout the
13 system. And I will show you some maps in just a while
14 here.

15 Of that 23.4 billion that is allocated to
16 strategic highways, 49 percent will be allocated to the
17 Maricopa Association of Governments Region. The Pima
18 Association of Governments region will receive 12 percent,
19 and then the other 13 counties will receive 39 percent.
20 Again, those 55 percent total out to 23.4 billion.

21 The next element is strategic rail and transit
22 projects and programs. 18 percent, 7.7 billion, is being
23 allocated to public transportation, that does include
24 rail. And the breakdown on that is that we would allocate
25 1.2 billion to public transit projects and programs

1 throughout the entire state of Arizona.

2 And what that means is that we -- for example,
3 there's a lot of, in rural Arizona, a lot of bus systems
4 that are operational that probably as they grow will need
5 to be expanded, and so we would be able to handle that.
6 We have a lot of programs that are in place that address
7 services for the handicap, for the elderly, ride sharing
8 programs, programs on tribal lands. And so we would be
9 able to enhance and expand those systems in the future.

10 We also have 5.5 billion that goes to the high
11 speed inner city rail and commuter rail. The concept
12 behind that is we would develop commuter rail in the
13 Maricopa County region, another commuter rail system in
14 the Pima County region, and we would connect those with
15 inner city passenger rail.

16 So you then would have what a lot of people have
17 been asking about for decades, which is: How come we
18 don't have passenger rail between Phoenix and Tucson? So
19 that concept would get us to that point. Beyond that, we
20 could potentially be expanding passenger rail into
21 Northern Arizona.

22 Then finally, there is 1 billion that is
23 allocated to light rail in the Phoenix area, and the
24 modern street car, or high capacity transit in Pima
25 County. And the way that 1 billion would break down is

1 that 600 million would go to light rail in the Phoenix
2 area, and the remaining 400 to the Regional Transportation
3 Authority, again, for the expansion of the modern street
4 car system or potential high capacity transit in Tucson.

5 The third component is local mobility products
6 and programs, 20 percent being allocated to that to the
7 tune of 8.5 billion. When we began our dialogue with the
8 various stakeholders -- and as I mentioned, it went
9 through a real intense period of coordination and
10 collaboration -- it became very clear that the local
11 municipalities were sending us a message saying, "We have
12 a pretty dire and significant need at the local level, and
13 we need to be able to address those issue."

14 So that's what this is intended to do, 20 percent
15 going to the local municipalities, the cities, counties,
16 towns and tribes. In the Maricopa region, 20 percent
17 would go to cities, counties, tribes and towns, and that
18 would be distributed based on a population-basis.
19 38 percent would go the remaining 14 counties, distributed
20 to cities, towns and counties using the HURC formula. And
21 then the remaining 2 percent would go to the tribes
22 outside of the Maricopa County region to be distributed on
23 a per capita-basis.

24 And then the final component is 4 percent, 1.7
25 billion going to transportation enhancement-type projects.

1 And you all have -- the Board -- you have a Transportation
2 Enhancement Program and you address several issues that
3 are above and beyond what we normally do with highways.
4 And what I like to call this is an element where you make
5 your communities a little more liveable than what we
6 traditionally do since we've been building highways.

7 So this was, I would say, sort of modeled upon
8 that program. But these 4 percent funds are actually
9 going to go directly to cities, towns, tribes and
10 counties, again, on a population-basis. So it's the same
11 type of project that we are looking for that you currently
12 approved through the enhancement program, but instead of
13 that coming to the Board through the regular program, we
14 would do it, like I said, sending it directly to the local
15 community.

16 A lot of concerns and questions as we've had
17 dialogue about return on investment, if you will, so what
18 we've done here today is, I have a slide that addresses
19 what I believe, in my mind, at least, is the northern area
20 or region. I'm showing Apache County, Coconino County,
21 Mohave and Yavapai County on the slide.

22 The second column shows you based on that \$42
23 billion that we talked about, extracting the conservation
24 fund. We did not allocate the conservation at any point
25 because it's a program that's still not been developed.

1 But then we did allocate all of the improvements that
2 we've identified to the various counties.

3 So if you look at the second column, that is the
4 2007 contribution from the individual counties to the
5 State sales tax -- again, these are '07 numbers.

6 If you look at the third column, that's the
7 investment that is going to the individual county based on
8 the -- well, it's not the 42 billion, it's the 42 minus
9 the conservation fund, so it's about 41 billion, I
10 believe, plus or minus.

11 So when you look at the final column, that's the
12 return to the county based on those figures. In fact,
13 Apache County received almost for every dollar they put
14 in, they get six dollars back. So you have the numbers
15 there. You can see that pretty much everybody gets more
16 than what they put into the investment strategy itself.

17 Now, very quickly, I don't want to take too much
18 more time. I know we are interested in listening to the
19 public, but very quickly, I want to very quickly run
20 through various scenarios.

21 This is the roadway investment scenario, the
22 strategic highway. We estimate that you would be able to
23 improve 360 miles of interstate highways, and improve more
24 than 430 miles of state highways and freeways, and
25 approximately a 100 miles of new highways would be built

1 under this strategy.

2 As I mentioned, in the Maricopa County area, you
3 know, because they do have, I guess I would say a
4 different status within the federal planning process, they
5 will be able to actually, through their planning process,
6 take a look at what we're recommending and, in fact,
7 possibly be able to accelerate some of the current
8 projects that are programmed in the regional
9 transportation plan.

10 You also will find it a very interesting concept
11 that I know especially Board Member Montoya has been
12 pushing with public-private partnership. What we have
13 done with the initiative, we have identified five
14 different corridors that are primary in the Pinal and
15 Maricopa County areas that total up to about 20 billion.
16 And there simply isn't another 20 billion to be able to
17 invest in transportation. So what we have done is, we
18 have allocated 10 percent of that 20 billion to help
19 stimulate public-private partnership.

20 As you know, on a national basis, and really here
21 recently at a State level within our Legislature, a lot of
22 focus on public-private partnership. Our understanding is
23 that there is a significant amount of investment, private
24 sector investment, just waiting to come and be invested in
25 Arizona. So we are coming to the table. We are trying to

1 stimulate that interest. And we're saying, if, in fact,
2 there is that investment waiting out there, we are ready
3 to step up to the table and entertain those ideas.

4 This is a graphic trying to show us basically the
5 high speed and commuter rail. Again, these are conceptual
6 because studies are already under way on the commuter rail
7 possibilities in Maricopa County. But I described to you
8 what that looks like, so I won't go into that again.

9 Rural public transportation programs, I mentioned
10 earlier, we have a lot of programs under way for the
11 elderly, disabled, etc. So under these rural
12 transportation programs, just to give you a sampling, and
13 a lot of this information, again, was coordinated through
14 various efforts with our transit experts throughout the
15 entire state.

16 So we estimate we will be able to create about 50
17 new rural bus systems. We are estimating the expansion of
18 at least ten existing bus systems in the mid size, in
19 rural communities. So there is just a whole sampling of
20 the potential or possibilities that are out there to
21 actually accomplish what we are suggesting here.

22 As I mentioned, programs for the elderly and the
23 disabled. Once again, we believe that we would have
24 funding available here for expansion and operation of more
25 than 100 elderly and disabled service vehicles statewide.

1 The startup and operation of the first statewide
2 van pool program, and then startup and operation of the
3 first statewide rideshare program. Again, these are only
4 samples of what is in this strategy which allows us to
5 address public transportation on a statewide basis.

6 This is just a map that shows the roadway
7 improvements that I showed you about two slides ago. And
8 again, being sensitive to a lot of issues out there beyond
9 just building highways, State Trust Land, as you know, is
10 very critical as we move into the future, not only in
11 relation to how transportation moves or evolves in the
12 future, but also in relation to what it means to
13 education. So what we attempted to depict here is how our
14 strategy overlays on that State Trust Plan in the future.

15 We understand the dilemmas that are faced on
16 tribal communities, and what we are overlaying on this
17 frame are the movements that we're suggesting or
18 recommending within the strategy and how they overlay on
19 the tribal community.

20 Now, keep in mind, these are the strategic
21 highway investment. There is still that portion that goes
22 directly to the tribes that I mentioned, the 20 and
23 4 percent earlier.

24 Then, when we take a look at the environment and
25 natural resources, once again, being sensitive to the

1 environmental issues and the concerns and interests out
2 there from the conservation community and the
3 environmental community, once again, we overlay here the
4 roadway investment that we're recommending. And it gives
5 you a good flavor about how that might impact the
6 environment. And I have to tell you, we were very
7 sensitive to those issues, and I believe we accomplished
8 the goal of trying to minimize impact on what we
9 identified through our coordination as the sensitive areas
10 for the conservation in environmental community.

11 Then, as I mentioned the conservation community,
12 a mitigation fund, there are several scenarios that
13 actually play out, ways to actually preserve our heritage
14 for the future, our natural resources in the future, yet,
15 at the same time, be able to implement the necessary
16 infrastructure for the growth of the state. And I think
17 we can accomplish that with the strategy.

18 With respect to the local mobility program -- and
19 again, this is the 20 percent that goes directly to the
20 local municipality -- significant issues that we've heard
21 about. So we're looking at accommodating a lot of items
22 out there, things like pedestrian facilities, bicycle
23 facilities, etc. And again, these were ideas that were
24 brought forth by the local community as a need that was
25 identified.

1 Then finally, the final component is, once again,
2 the transportation enhancement component. Looking at ways
3 to really address a lot of things that you are addressing
4 through your enhancement program; bike paths, a lot of
5 sidewalk issues, as you are aware, and you know, just a
6 lot of good things that people do to make their
7 communities more livable. And these are issues that are
8 really above and beyond widening a freeway, adding more
9 lanes, another interchange here and there. This is really
10 intended to help the local communities, again, make their
11 communities livable for their citizens.

12 So with that, Mr. Chairman, Members of the Board,
13 I conclude my overview of the investment strategy.

14 MR. S.L. SCHORR: We are going to start this
15 phase of listening to public comment and input on this. I
16 would again remind you that we have a lot of folks who
17 want to be speaking, so I would ask that if you are here
18 on behalf of an organization, you limit your time to, say,
19 seven minutes, and if you are speaking for yourself, you
20 limit your comments to three minutes. The first comment
21 sheet I have is Matt Ryan, Coconino County Supervisor.
22 Mr. Ryan.

23 MR. MATT RYAN: Thank you, Mr. Chairman. And as
24 you asked before, Matt Ryan, Coconino County Supervisor,
25 219 East Cherry Avenue, Flagstaff.

1 Mr. Chairman and honorable Members of the Board,
2 it's great to be before you again. Last time was in
3 Sedona, and we're not going to talk about Sedona tonight,
4 which is good. You've done great work down there, by the
5 way.

6 But I fill many roles, especially with
7 transportation, sitting on the COG, World Transportation
8 Advisory Committee, Coconino County Board of Supervisors,
9 and the Flagstaff MPO. But I am not here to give our
10 positions on those particular pieces. I can allude to
11 some of our discussions because, as it were,
12 organizations, we're all taking a look at this and having
13 discussions. There are a lot of good pieces. There are
14 pieces that, as you well know, nothing can be perfect. So
15 how does it fit well?

16 But some of the discussions that we have had are
17 that money for the state transportation, knowing that
18 without a meter gas tax, a growth at the rate that we have
19 been seeing in the state for the past 30 years, cost of
20 construction, we've discussed for many years the need for
21 the investment in the state transportation system and have
22 supported this in concept.

23 With the Federal Trust Fund running out in 2009,
24 time is of the essence to address this issue. As this had
25 been pared down from the 166 billion to the 42 billion,

1 the challenge has been that you cannot please all. This
2 proposal is not perfect, as I said. And my projects in
3 our region have been impacted by this.

4 Should this be successful, we do wish to continue
5 to have a statewide comprehensive approach, such as we
6 were pursuing with the framework studies. We were
7 concerned that the money will be drawn away from our needs
8 in our region. We count on you in insuring that the
9 enhancement money, transit money, and other funds that
10 will be placed under your oversight are considered fairly
11 using good planning process.

12 We would like to work with you on governance and
13 distribution to insure that we make sure each region is
14 treated fairly. For the sake of our board, our regional
15 COGs and rural MPOs, we need to keep working with you to
16 help insure that we have a local input and application of
17 the funds.

18 Independent of the boards, I'll toss all those
19 hats aside, I, as an independent elected official, I do
20 say independently that we need funds for transportation
21 that uses multimodal approach. You've used the recon
22 studies and the planning processes to have input into how
23 the initiative would be created. I support this effort
24 but, again, wish to continue giving input and help refine
25 the application as we approach this.

1 Thank you, Mr. Chairman and Board.

2 MR. S.L. SCHORR: Thank you.

3 Eve Ross.

4 MS. EVE ROSS: Thank you. Eve Ross, 1505 North
5 4th Street. I am here speaking on behalf of W.L. Gore.
6 We're a private manufacturing firm based here in
7 Flagstaff. We have about 1,700 employees here. And I
8 also have addressed the Board many times before, in part
9 because many of us feel like we commute up and down to I17
10 to Sky Harbor. We run a global business out of Flagstaff
11 with more than half of our sales being OUS. So we travel
12 both nationally and locally.

13 Gore very much appreciates the commitment of the
14 Governor's office, the State Board of Transportation, and
15 the Arizona Department of Transportation in working to
16 develop a statewide transportation program intended to
17 address the critical transportation infrastructure needs.

18 In particular, the recognition in the credible
19 needs study recently released by the Department relating
20 to the improvements to I-17 and I-40 are critical to
21 business interests in Northern Arizona.

22 For several years, Gore, among others, has
23 advocated for improvement to these corridors in order to
24 provide greater transportation reliability.

25 Mr. Mendez has indicated that the Board is

1 conducting similar meetings throughout the state. And
2 naturally, each region will have their own perspective of
3 the critical needs study and the overall transportation
4 package developed from that study. You all have an
5 enormously difficult task given that there are more
6 projects than resources.

7 Likewise, I appreciate that locally-affected
8 officials will have their own unique perspective about the
9 projects and priorities identified in the statewide
10 package. Their concerns are legitimate and Gore
11 encourages the leadership to try and adequately address
12 their concerns as much as possible. Municipal and county
13 officials have a strong understanding of their
14 constituency, community, and their individual needs and
15 collective input is an asset to the overall effort.

16 Gore remains supportive of all efforts to address
17 Arizona's critical transportation infrastructure needs.
18 While no program is perfect, we cannot ignore the present
19 opportunity to obtain the necessary resources to address
20 the longstanding issues of I-17 and I-40.

21 This initiative keeps the need for infrastructure
22 improvement in front of the public and is honest about the
23 fact that increased capacity costs money.

24 Recognizing that voters like to understand what
25 they are being asked to pay for, I want to encourage the

1 release of a detailed plan, including MAG, as soon as
2 reasonably possible. Proponents cannot expect the public
3 to remain patient with representative projects for too
4 long. The voters, along with the business community, must
5 be able to identify specific projects and how such
6 projects will be planned and prioritized.

7 In my view, voters expect to know exactly what
8 they are being asked to pay for and when they are going to
9 be able to benefit from it. Success in November, assuming
10 that the initiative qualifies for the ballot, will depend
11 in large part on voter confidence and the program's
12 accountability to deliver what its promised.

13 W.L. Gore respectfully encourages all decision
14 makers to provide the electorate the necessary confidence
15 and a way to collect the necessary resources to make an
16 informed decision on the importance of this program to
17 Arizona's future. Thank you.

18 MR. S.L. SCHORR: Thank you.

19 MR. CHRIS FETZER: Good evening, Mr. Chairman,
20 Members of the Board; Chris Fetzer, representing Northern
21 Arizona Council of Governments, 119 East Aspen, Flagstaff
22 86001.

23 I would like to begin this evening by first
24 thanking the Board and staff for making this opportunity
25 available in Northern Arizona. As you know, the need is

1 obvious. Our members all also recognize that the need is
2 obvious for additional transportation investment in the
3 state, and in particular, within our region.

4 You all know that we got to this process in terms
5 of the strategy and what's been laid out before us by the
6 critical needs process that you recently completed. And
7 that process derived local needs and state system needs
8 from two sources. Our local agencies working through us
9 provided that information to the Department, and then the
10 district engineers did a tremendous amount of work in a
11 very short period of time to comprehensively assess and
12 assemble all that information that helped develop the list
13 and then ultimately the strategy.

14 The district is clear that you need to be thanked
15 for the work that they went through to develop
16 information.

17 But more importantly, as we've analyzed the
18 strategy within our region and looked at it in the context
19 of the way the initiative had been laid out, we see
20 tremendous amounts of opportunity to work with the
21 Department and work with the Board as we move after
22 hopefully a successful election the implementation of the
23 strategy, particularly with respect to strategic highway
24 investments and the strategic rail and transit programs.

25 The major responsibility for implementing those

1 projects and programs will rest on the Board's shoulders,
2 and we are simply stating the interest that we have as a
3 region, as local governments, in developing those
4 processes and programs; implementation guidance with the
5 Board collectively as we move forward in the future.

6 I guess the other main point I would make on
7 behalf of the region is all of the other routes that don't
8 appear as critical needs. We know there's not enough
9 funding with one source that has been proposed to address
10 the volume of needs we have in our region or state alone,
11 but clearly there are many other critical needs, systems,
12 functional improvements that need to occur, passing lanes,
13 safety improvements, etc. And we encourage the staff and
14 Board to look at ways to utilize existing resources,
15 limited as they are, to implementing some of those
16 solutions sooner than may otherwise be done currently.

17 I appreciate the opportunity to speak to you
18 tonight.

19 MR. S.L. SCHORR: Thank you.

20 Joseph Donaldson.

21 MR. JOSEPH DONALDSON: Good afternoon,
22 Mr. Chairman Schorr, and Members of the Board. My name is
23 Joseph Donaldson. Sometimes I think I recite it to
24 eliminate them first asking -- City Hall.

25 I am chair of the Rural Transportation Efficacy

1 Council, chair of the Transportation Policy Efficacy
2 Committee. I am also a licensed chair of a Flagstaff
3 anthropological organization. I am also a member of NACOG
4 and a Native Arizonan.

5 Thank you for this opportunity to speak to you in
6 support of the transportation initiative, adding one
7 percent sales tax to begin to fund Arizona transportation
8 projects across our great state of Arizona.

9 As you know, it's no secret, Arizona is in
10 trouble economically, if we do not jumpstart improving our
11 overall transportation system. I am not going to bore you
12 with information you already have. Our Governor
13 Napolitano has done a masterful job addressing the needs
14 of Arizona. Her attention and support of economic
15 development, education and now transportation speaks
16 loudly of her love for not only Arizona but the quality of
17 life of the citizens of Arizona. I applaud the local
18 collective building, the local control, at every level for
19 identifying multimodal transportation projects and giving
20 local jurisdictions with their constituents the necessary
21 power to address their many local needs.

22 In every county of the state, four categories of
23 projects and programs are listed and estimated funding
24 stated. In governance of these estimated funds, it would
25 be my expectation the category must be able to be

1 accumulated over time and not diverted from the category
2 area to another State project, but there remain solely
3 banked for the category and city or county for which they
4 were intended.

5 Some cities and counties may not be able to use
6 the money as quickly as it is accumulated. By allowing
7 the accumulation, without a chance of losing that funding,
8 better projects might be able to be accomplished. I am
9 glad both as a mayor and a citizen to see we are
10 addressing the critical needs of our great state. Thank
11 you for your time.

12 MR. S.L. SCHORR: Thank you.

13 Jack Husted.

14 MR. JACK HUSTED: Mr. Chairman, Members of the
15 Board, Victor, Director and staff, my name is Jack Husted.
16 I am at 248 Becker Lake Road, Springerville, Arizona. As
17 you know, I'm a past member of this board that you sit on,
18 and was a responsibility that I took very seriously in
19 representing rural Arizona.

20 As you know, I have been an active member and a
21 participant in this and have some grave concerns about
22 some of things that I see this plan having developed into.
23 I have been on a soap box for now 15 years trying to be an
24 advocate for the 6600-mile system, the whole system of the
25 state of Arizona. It's not going to do a whole lot of

1 good to give us a bus route that drives by bumpy road
2 signs, and rough road signs and a deteriorating
3 infrastructure.

4 I live in the longest state -- correction, the
5 longest county in the state, in the country. And we've
6 got some huge infrastructure needs. That being said, we
7 understand that the paradigm of transportation funding is
8 shifting and we need to do something. And the TIME
9 Coalition started down a path, a noble path, over a year
10 ago. And upon drafting the voter protected pots of money,
11 we saw -- I saw a shift again to parochial concerns where
12 we have a huge system with maintenance needs, with, as
13 Mr. Fetzner said, we have pressing needs. We have needs
14 that could be addressed. And we have -- and I hate to
15 throw a lot of cold water on a plan that dresses up pretty
16 nice, but it boils down to what we see as a critical need.

17 I think that we have developed a list of some
18 \$160 billion of critical needs in the state of Arizona.
19 And the first draft that was floated around the state had
20 60 percent of this money on the State highway system, on
21 I-40, on I-10. And that has morphed now, and of the 55
22 percent of the money that is going to be spent on
23 strategic highway needs, 49 percent of that is now going
24 to go down to Maricopa County. And it's our system. They
25 need to share a burden.

1 And Victor and I have had this conversation, and
2 it boils down to philosophical discussions of the critical
3 needs. We need to take care of our critical
4 infrastructure first. And we are not addressing some of
5 those grave needs in this plan. And I think we need to
6 address those first before we turn our attention and spend
7 billions of dollars on open space conservation and making
8 the downtown area liveable when we are driving on bumpy,
9 deteriorating roads. That's the opinion of a past board
10 member, and I thank you for your time.

11 MR. S.L. SCHORR: Thank you.

12 Jody Rooney.

13 MS. JODY ROONEY: Thank you, Chairman Schorr, and
14 Board Members, thank you for your time this evening as
15 well.

16 Mayor Karen Fann from Chino Valley was not able
17 to be with us this evening. As electives know, we juggle
18 many schedules. But I am very honored that she would ask
19 me to represent her this evening.

20 She is not only an elected official in Chino
21 Valley, but she is also a highway contractor and is well
22 aware of the transportation issues that face us, not only
23 in her region but around the state. Having just recently
24 spoken at a panel on transportation at an Arizona summit,
25 her topic was on the megapolitans, such as Director Mendez

1 had spoken about. And we spoke about the growth issues
2 that we have there that are facing us.

3 And I know that Director Mendez came out to our
4 region and visited with us at the local level, working
5 with us and his staff as well as our district engineer,
6 Dallas Hammet. And we appreciate that, and we want to
7 thank you for that and for this plan. What I might
8 mention to you is that she believes in this and lends her
9 support, and we thank you.

10 MR. S.L. SCHORR: Thank you.

11 Lee Bigwater.

12 (Mr. Bigwater submitted documents to the Board.)

13 MR. LEE BIGWATER: Good evening, Mr. Chairman and
14 Members of the Board. I just have two simple things that
15 I would like to share with you. As you know, the Navajo
16 Nation Transit System operates on three major state routes
17 within the Navajo Nation -- almost said the state Navajo
18 Nation -- they are SR160, 191, and 264, and then in the
19 near future we are going to be extending our route
20 services onto the State Route 89, 98, and then extending
21 on 91 and 160. What I would like to ask and request is
22 that the Navajo -- the transit system runs on these
23 routes, and as you are aware, a lot of these state routes
24 have narrow shoulders, and the transit buses do not have
25 safe, appropriate pull-outs along the routes, you know,

1 where it's needed, where we board the customers. And what
2 I'd like to request is that the Board and the district's
3 engineers of Flagstaff and Holbrook, that they consider
4 incorporating these pull-outs into their future plans and
5 provide the Navajo Transit System a safe pull-out for our
6 customers, for the benefit of the customers.

7 And the second thing I would like to address is
8 that, as you know, the Navajo Transit facility is run out
9 of an old warehouse that was occupied back in 1980, and we
10 continue to occupy that and run our service out of that
11 facility. And I would like to request the Board to
12 consider that they -- if you could allocate some funding
13 out of the surface transportation program or other
14 available funds to match funds for a new facility, for a
15 new transit facility, to be located in Fort Defiance,
16 Arizona.

17 Thank you very much.

18 MR. S.L. SCHORR: Thank you.

19 Jack Kramer.

20 (Mr. Kramer submitted documents to the Board.)

21 MR. JACK KRAMER: Jack Kramer, active City
22 Manager, City of Kingman, 310 North 4th Street, speaking
23 on behalf of Mayor John Salem, City of Kingman.

24 "Mr. Chairman and Board Members, regretfully I am
25 unable to attend this public hearing. My apologies for

1 being absent. Please accept my comments from our City
2 Manager, Jack Kramer.

3 I would just like to voice my approval of the
4 Statewide Transportation Initiative and the Statewide
5 Transportation Investment Strategy. There are many
6 reasons why I support the TIME Coalition and the
7 transportation initiative. With respect to Kingman and
8 the surrounding areas, the benefits would be monumental.
9 We would enjoy the widening of Interstate 40 to six lanes
10 through Kingman. The State Route 93 Project would see
11 completion to four lanes from Wickenburg north to the
12 interstate. Statewide projects as well as ones slated for
13 Mojave County would bolster our slowing economy by
14 creating quantities of new jobs. New infrastructure and
15 transportation needs would be met.

16 We would see these benefits as a result of new
17 money allocated for new transportation needs. These
18 projects would help the State have a proactive stance for
19 growth rather than being retroactive and always playing
20 catch-up. The initiative plan would potentially beat the
21 budget burdens placed upon the State when funding major
22 capital improvements in Kingman and surrounding regions.

23 Please consider this initiative a viable option
24 when looking for solutions to the state's transportation
25 problems. Thank you for your time and service to our

1 great state. Best regards, John Salem, Mayor of City of
2 Kingman."

3 Thank you.

4 MR. S.L. SCHORR: Thank you.

5 David Wessel.

6 MR. DAVID WESSEL: Good evening, Chairman Schorr,
7 Members of the Board. Welcome back to Flagstaff. It's
8 good to see you back so soon. I want to thank you for
9 your presence here tonight and for your efforts on behalf
10 of the State. I would like to commend your staff, our
11 district engineer, John Harper, and as I see a kind of
12 bevy of consultants sitting around here, HDR and others,
13 and I want to commend them as well for the efforts that
14 they have given to you on your behalf in putting together
15 a critical needs list and getting us to where we are
16 tonight. I think it's really been outstanding, and I
17 think somewhat surprising given how quickly things have
18 come together.

19 In looking at the improvements slated for
20 Coconino County, we are pleased to see some of our high
21 priority projects on this and some of them regarding, as
22 you mentioned, I-17 and I-40. We see those as critical to
23 our success as a region as well as the implications they
24 have for the state and the nation.

25 We are also happy to see that there is a

1 multimodal approach here. Transit is booming in our
2 region. We just recently passed some tax initiative and
3 really think we will be having some excellent partnering
4 opportunities. The enhancements, again, in Flagstaff, the
5 urban trail system, I think is known across the state, and
6 we're poised to improve that.

7 So as others have stated, we look forward to
8 partnering with ADOT and the State Board in moving this
9 initiative forward should it pass and just want to thank
10 you again for the opportunity speak tonight.

11 MR. S.L. SCHORR: Thank you.

12 Margie Beach.

13 MS. MARGIE BEACH: Hello, I am Margie Beach. I
14 represent Salt River Materials Group at 601 North Cement
15 Plant Road in Clarkdale, Arizona, and I spoke to you at
16 the May 16th meeting. I also appreciate that you are back
17 in Northern Arizona so soon.

18 I want to let you know that we support this
19 initiative very strongly. We appreciate the idea that
20 there's a way to fund transportation in the state of
21 Arizona.

22 Salt River Materials Group is a cement plant, and
23 we plan an expansion of our plant. We are looking at the
24 possibility of an expansion of our plant. We'd like to do
25 that to more than double our capacity sometime within the

1 next -- certainly within the next ten years. So to do
2 that, we need to have transportation for our product out
3 of the plant, through Cottonwood, through Clarkdale, down
4 to I-17. We are asking you for a little more money on
5 260, the bifurcation of 260 from the edge of Cottonwood to
6 Thousand Trails of the Verde Valley is great. But we're
7 looking for hopefully for you to add back the possibility
8 of the forest service alignment, what was termed that for
9 highway 260 between Thousand Trails Road and I-17. That
10 would help a lot.

11 We appreciate the work that is being done on 89A
12 right now in the Towns of Cottonwood and Clarkdale.
13 However, there are already two failing intersections in
14 the City of Cottonwood. We plan to add over 300 truck
15 trips a day, big trucks, through those cities on 89A. And
16 it's going to be horrible to get our product out if we
17 expand the plant where it is. We would like to have some
18 consideration from you, from ADOT, for an additional
19 bypass of some sort that would go around the
20 municipalities of Cottonwood and Clarkdale.

21 I appreciate Director Bill Feldmeier and the
22 district engineer for the Prescott district, Dallas
23 Hammet, coming to our plant to talk a little bit about
24 this in a preliminary meeting. We would like to let you
25 know that our company is very interested in a

1 public-private partnership, and we'll be happy to
2 entertain the thought of perhaps sharing in the cost of
3 both of these projects.

4 I want to thank you for your efforts on behalf of
5 the citizens and the businesses throughout Arizona. Thank
6 you.

7 MR. S.L. SCHORR: Thank you.

8 Casey Rooney.

9 MR. CASEY ROONEY: Good evening. My name is
10 Casey Rooney. I am the economic development director from
11 the City of Cottonwood. I am on the Arizona Association
12 of Economic Development Board, as well as the NACOG ED
13 Committee, and also represent the Cottonwood Development
14 Counsel.

15 I just want to thank the State Transportation
16 Board for this opportunity to speak. And I want to
17 commend your staff, particularly District Engineer Dallas
18 Hammet, for the fine work he does in our area.

19 My concern is -- first of all, let me say, I'm in
20 favor, as Margie mentioned, I also represent the City of
21 Cottonwood, and I want to say that the organizations I
22 represent are in favor of this idea. I had an interesting
23 conversation this morning -- sort of, I'd just like to say
24 I am just dealing with the strategy right now, how we are
25 going to sell this throughout the state.

1 I had a staff meeting this morning, and a young
2 man 28 years old on our staff, and I said, I am coming to
3 this meeting tonight, and I said, you know, I am coming to
4 this meeting tonight. And I said, it has to do with the
5 one cent sales tax. And he came right out -- this is a
6 young married man with a family -- he came out and said,
7 I'm not in favor of it. And I feel like I'm fairly well
8 informed on transportation; he's not very well informed.
9 So how do we get the message out to people what's going
10 on? He's not for it. He suggested that people that use
11 the roads -- I mean, he's shooting from the hip. He
12 thinks that the people who use the roads should pay for
13 the roads through gas taxes, toll roads, etc. So you
14 know, I'm just passing the message on that there's a lack
15 of understanding amongst the general population.

16 Then I had dinner with a gentleman, and I
17 mentioned this conversation I had earlier and with this
18 young man and that, you know, about the sales tax, the gas
19 tax, and he mentioned that there may come a day -- I don't
20 know, I've lived my whole life paying gas taxes, but there
21 may come a day when we potentially couldn't have a gas tax
22 and people become efficient in the way they get around,
23 and alternative energy sources. And so, I mean -- I
24 learned that today. I hadn't even thought of that. I am
25 learning so much every day about this.

1 It has to do with strategy. So if we are going
2 to bank on sales tax paying for this thing -- gas tax
3 paying for it, I am concerned about that now, after
4 tonight, after having dinner. So that's one of my
5 concerns.

6 The other one I had was, the construction costs.
7 You know, you mentioned 60 percent -- has gone up 60
8 percent in the last five years. If it goes up 60 percent
9 every five years, are you basing this amount of money,
10 this 64 million or billion or whatever it was, are you
11 basing that on the economy two years ago when it was in
12 good shape? I realize you determine the cost of a
13 project, of all the projects, you add them up, probably
14 adding an inflation factor. Are we keeping in mind that
15 the costs have gone up 60 percent in the last five years?
16 I guess that's the question. I'm not expecting you to
17 answer it now, but it has to do with strategy.

18 How are you going to sell it? People are going
19 to ask. I'm asking it. People are going to ask these
20 questions, and I feel like I am fairly well informed. And
21 with that said, that's about it. Thank you all coming
22 tonight. I appreciate all you do. Thank you.

23 MR. S.L. SCHORR: Thank you.

24 Before calling on the next speaker, let me just
25 reiterate a comment I made at the outset. What this board

1 and what the Department is charged with doing is to hold
2 hearings on the Statewide Transportation Investment
3 Strategy. We are not trying to sell. We are trying to
4 educate, not advocate. There are issues that you've
5 raised which certainly should be dealt with and should be
6 answered. And I would strongly recommend that you contact
7 those organizations which have taken it upon themselves
8 to, as you say, sell. That is not the purpose of this
9 board. We are, of course, very interested in everything
10 you have to say, and there are questions that you have
11 raised otherwise which we will have to address.

12 The next speaker is Greg Froslic.

13 MR. GREG FROSLIE: Thank you. Good evening. My
14 name is Greg Froslic, and I am a city engineer for Lake
15 Havasu City. I would also like to extend my gratitude to
16 the Board for this opportunity to present our concerns in
17 Lake Havasu.

18 As you are probably aware, they have a city that
19 is somewhat isolated from the rest of the world. In fact,
20 the only links to the outside world is State Route 95.
21 That includes our access to the north, up to I-40, and to
22 the south down toward the Parker area and on to Phoenix.

23 Recently, we've had several serious accidents
24 that have shut those corridors down completely. And
25 because most of that corridor is still two lanes, the

1 entire route is closed eliminating people from leaving our
2 community or getting in for as much as eight hours at a
3 time.

4 Additionally, you may have remembered an accident
5 we had a few years back where the bridge was actually on
6 fire. I think some remedial work is now scheduled here
7 for the coming months, and that work could possibly take
8 up to several months at a time. That's on the Bill
9 Williams Bridge, and that also is two lanes, one lane in
10 each direction. So that could cause some serious impact
11 to our community as well.

12 So I guess we're concerned that our needs in
13 little Lake Havasu are not lost as you guys move through
14 the difficult process of prioritizing some projects. And
15 additionally, I would also like to point out that over the
16 years, we have developed a very good working relationship
17 with ADOT, especially the Kingman district. And just
18 recently as a few weeks ago, we have initiated the
19 planning efforts for a new State Route 95 corridor, bypass
20 corridor, to the east of our community and that's going
21 very well.

22 Thank you for your time.

23 MR. S.L. SCHORR: Supervisor Deb Hill.

24 MS. DEB HILL: Good evening, Mr. Chairman, Board
25 Members, Victor. Thank you for joining us again. You

1 will have a tail wind going home. It should be a quick
2 trip.

3 I am Deb Hill from the Coconino County Board of
4 Supervisors, currently serving as chair of the board, and
5 also for the last seven and a half years, I have had the
6 pleasure of serving on the Flagstaff Metropolitan Planning
7 Organization Board.

8 I should make it clear before I proceed with
9 comments on the Investment Strategy that neither the Board
10 of Supervisors nor the MPO board has taken a formal
11 position about the strategy. However, that's only because
12 it's only recently been unveiled, if you will. And the
13 Board of Supervisors actually has a work session on this
14 matter in two weeks. So at that point, you may see a
15 formal comment. Until then, I am speaking solely for
16 myself as an elected official.

17 The MPO made a critical needs list in response to
18 a request from ADOT. That critical needs list includes
19 both I-17 and I-40 corridors, as well as other roads
20 throughout our county here. The initiative tracks very
21 well with our critical needs list, so we appreciate that.

22 As you heard from Ms. Ross, our major local
23 employers, including Coconino County, have been outspoken
24 in regards to the need for improvements to I-17. The
25 current situation on that highway is actually an

1 impediment to our economic development. So for those who
2 suggest that spending through a sales tax in a challenging
3 economic time might not be the best strategy, our response
4 from up here is: We are desperate. Our economic
5 development is being impeded by the state of our
6 infrastructure, and we are willing to invest in it in
7 whatever way will work. We would like to see the I-17
8 project programmed early in the program of the overall
9 improvement program.

10 Funding for I-40 is equally important due to
11 increasing levels of freight traffic greatly impacting our
12 area. And about two years ago, I held a conference for
13 the communities on the I-40 between Winslow and Ashfork,
14 and it was pretty unanimous from all of these communities
15 that there was a lot of work that needed to happen to deal
16 with the freight. We are hearing more and more from
17 tourists and our citizens who are commuting on the I-40,
18 by the way, between these communities, that the freight
19 travel is becoming problematic and the condition of the
20 infrastructure is a safety hazard.

21 Our transit service here would greatly benefit
22 from the transit dollars, which could be used to provide
23 service to our growing communities outside the City of
24 Flagstaff. The potential for \$2 to \$3 million per year
25 for funding for local roads projects, any enhancement

1 funding would allow us to address critical needs for
2 multimodal infrastructure used by the 5 million-plus
3 visitors that come to this area every year to see the
4 features, such as the Grand Canyon.

5 Because of the varying rural nature of our
6 county, which is only 13 percent private land, has a
7 relatively low population, and because of State-imposed
8 tax on our taxing authority, our ability to raise funds
9 with our own transportation tax is severely limited and
10 would not achieve anywhere near the level of improvements,
11 especially the state and federal highways that could be
12 achieved by this initiative. So speaking solely for
13 myself, I strongly support the package.

14 Thank you very much for investing this much time
15 and energy to bring it out before us. I'm looking forward
16 to a successful vote and hope we can move forward quickly
17 after that. Thank you for your time.

18 MR. S.L. SCHORR: Thank you, very much.

19 I have no further slips in front of me for people
20 who wish to speak. I would like to -- oh, one more.

21 If there are any further folks who wish to
22 address the Board, please fill out one of these forms.

23 Jim Creedon.

24 MR. JIM CREEDON: Mr. Chairman, Board Members,
25 Director Mendez, I was not necessarily planning to make a

1 comment or two because I was advised that Supervisor David
2 Schneider from Pinal County was on his way. But the
3 handout that I provided you I have discussed with some of
4 the ADOT staff and the study people, as well as MAG. It's
5 a referral to State Route 347 that was, on April 17th,
6 listed as a potential candidate as part of this overall
7 investment strategy, plus the TIME Coalition and the
8 overall initiative that's occurring in such a tremendous
9 innovative and very thorough program.

10 As all of you know, I was part of Proposition 300
11 in the mid 80s and was certainly involved in Proposition
12 400. And the ADOT Investment Strategy is the most
13 comprehensive program ever put to date in Arizona.

14 The reason I'm providing this handout to you is
15 that it represents interests from Pinal County, Maricopa
16 County, the City of Maricopa and other entities that will
17 be attending the next two board sessions in Phoenix and in
18 Marana on the 9th and on the 11th. I am just a messenger.

19 There is very, very high interest by those
20 entities and the development community to reinstate a
21 long-range planning and future improvement in State Route
22 327. The map shows it starts at I-10, goes to Maricopa
23 and continues further. So all I'm advising you as a
24 friend of the Board and ADOT is that these other entities
25 will be at the meetings because I, too, recognize this is

1 primarily to hear from people from Northern Arizona;
2 although, I've had a place up here for 20 years, and I
3 love it. Also, I have had grandchildren go to school up
4 here for 12 years, so it's a second home.

5 So congratulations for what you are doing. It's
6 a very thorough process, and I am sure you will and have
7 gotten a lot of helpful input. So thank you for letting
8 me put in my slip a little bit late, Mr. Chairman.

9 MR. S.L. SCHORR: Thank you.

10 Jesse Thompson.

11 MR. JESSE THOMPSON: Good evening, Chairman, Vice
12 Chairman and Members of the Board, as well as Victor.
13 Good evening to each and everyone one of you and the
14 audience here.

15 A couple things I would like to mention -- well,
16 first of all, my name is Jesse Thompson, Navajo County
17 Supervisor for District 2, and my constituents include
18 eight Hopi villages, eight Navajo communities and at least
19 a little bit over half of Winslow.

20 I would like to reiterate some of the comments
21 that were made earlier by those people that have spoken
22 already before me. And that is to protect those fundings
23 that are meant for the various projects or various
24 governmental agencies. That is one of the top concerns,
25 and we don't want those funds to be shifted from one

1 government agency to another. And I think that is one of
2 the biggest concerns that we have, as mentioned again by
3 the previous speakers.

4 And the second thing is that coming from a rural
5 and remote area, meaning Winslow and on the Navajo and
6 Hopi Reservations, I am sure it's like that on the
7 Apache Reservation as well, that many of the roads that we
8 have, we continue to travel on dirt roads. There are a
9 minimum amount of paved roads out in those areas. And
10 every day, our top concern and the biggest challenge is
11 trying to get those roads that are used by our kids daily
12 to make them safe and to keep them maintained at all
13 times. And these are the kind of situations that we have
14 to deal with every day.

15 With your understanding, the other concern that
16 we have, and it's gone through the legislation, efforts
17 have been made to include a Native American member on your
18 board where you are sitting. And this has been coming
19 from the various people in various capacities, and I do
20 support that. And hopefully we'll find away to do that,
21 because actually, I think there is a gap in really
22 understanding the reality of the situation out there. if
23 you have somebody sitting on your board, I think that
24 communication will be closing the gap.

25 So again, I do thank you for being here and

1 giving us the opportunity to talk about the various issues
2 that we have. So again, thank you very much.

3 MR. S.L. SCHORR: Thank you.

4 I have a slip here from Ron Knights. We earlier
5 had one From Ronald Knights; same person? Wearing a
6 separate hat, are you?

7 MR. RONALD KNIGHTS: Good evening, Mr. Chairman,
8 Members of the Board. I am Ron Knights or Ronald Knights,
9 whichever you prefer. I am planning director for NAIPTA,
10 that is Northern Arizona Intergovernmental Public
11 Transportation Authority. Our region extends to major
12 parts of Coconino and Yavapai County. With me tonight, I
13 want to introduce Mayor Elect Sarah Pressler, and
14 Councilman of City of Flagstaff, Al White, who is also a
15 member of our board, the NAIPTA Board.

16 Thank you for the opportunity to speak to you
17 tonight. We are here in support of, of course, this
18 initiative. I want to thank you for taking this on. I
19 think the public needs to be educated as far as the needs
20 and what needs to be done about public transportation, as
21 well as other transportation issues. I think attitudes
22 are changing as far as mass transit.

23 I have here, for the record, just this week, USA
24 Today had an article that reads: Mass Transit Breaks
25 Records. Rail, bus ridership up as gas prices drop.

1 I think this is representative of the national
2 situation. At the local level, our Mountain Line bus
3 system, ridership is up 34 percent. So we're seeing a
4 major shift, I think, in the public attitude.

5 We're also here to support specific projects that
6 we see are listed. I'd like to mention those now. Of
7 course, we're here to support rural transportation
8 improvements in Coconino and Yavapai Counties,
9 particularly the I-17 corridor; the I-40 corridor; project
10 Number 12, the improvement of Route 64; Project Number 27,
11 U.S. 89, a four-lane to Tuba City; Project Number 52,
12 connecting communities bus program, which we particularly
13 are of interest in that because we do serve areas between
14 Cottonwood and Sedona, for example, all of Verde Valley,
15 all of the City of Flagstaff and all of the FMPO area;
16 Number 53, enhancing public transportation; Number 55, a
17 statewide van pool and rideshare program. I don't know
18 the number of this one, but the elderly and disabled
19 program, and local mobility projects, and walkable and
20 bikeable communities. We think it is a well-thought-out
21 list, and we hope it succeeds and we wish it to go
22 forward.

23 Thank you for your efforts.

24 MR. S.L. SCHORR: Thank you.

25 David Martin.

1 MR. DAVID MARTIN: Good evening, Mr. Chairman,
2 Mr. Schorr, Mr. Mendez, Mr. Travis, the rest of the Board.
3 Thank you very, very much for the hard work you have put
4 into this comprehensive strategy. For the record, my name
5 is David Martin. I wear a couple of different hats today,
6 Mr. Chairman, one of which is the president of the
7 Associated General Contractors, the other of which is
8 intimately involved in the TIME Coalition. And I would
9 like to publicly thank the Governor on her tremendous
10 leadership on this issue that is so incredibly important,
11 not only to the economy, not only to the issue of air
12 quality, but the quality of life for every single Arizonan
13 in this state. Her leadership in bringing transportation
14 and transit and preservation together in one package, I
15 believe, will be cutting edge stuff that will move forward
16 to other states as they recognize the importance of
17 bringing transportation infrastructure along with good
18 responsible environmental stewardship.

19 With that said, we, as a coalition, encourage the
20 Board to pass a plan, obviously after you received
21 adequate input from the general public. We feel this is
22 an absolutely urgent issue that cannot wait by virtue of
23 the fact, as was mentioned earlier, we are going to be in
24 maintenance mode in a couple of years.

25 As the price of fuel rises, as many people know,

1 Mr. Chairman, we don't have a percentage based on gas tax,
2 it's a flat 18 cents, so as those consumption rates go
3 down, the availability of transportation dollars equally
4 go down. So like Mr. Mendez mentioned earlier, we are
5 headed for a serious dilemma as we move down the road on
6 transportation.

7 We are a citizen organization that looks forward
8 to supporting this plan into November, and we are doing
9 really well with our campaign, and I know there were some
10 comments that were asked or comments that were made
11 earlier, and anything that revolves around that, we're
12 more than happy to answer those questions to the folks
13 after the meeting. And I want to thank you very, very
14 much again for your leadership. Thank you.

15 MR. S.I. SCHORR: Thank you,
16 Mr. Martin. The Board wants to take cognizance of your
17 leadership and your colleagues' leadership in bringing
18 these issues to the fore.

19 I have no further white slips in front of me.
20 Having said that, I know I will get another one or two,
21 but I will take that chance.

22 I would ask the Board if they would like to make
23 any comments?

24 Bill?

25 MR. BILL FELDMEIER: I have a question. On the

1 presentation which you gave on the computer, there was a
2 map there that was indicated by roadway investments on
3 natural infrastructure and it showed a large portion of
4 map in green which indicated sensitive biological lands.
5 I am just curious as to where this map came from. Who
6 generated this map?

7 MR. VICTOR MENDEZ: The maps, as I mentioned
8 earlier, we did collaborate with many stakeholders
9 throughout the entire state. The coordination of those
10 sensitive issues, we worked with a couple of the
11 environmental organizations, I believe the Nature
12 Conservancy and the Sonoran Institute, along with our
13 internal environmental experts.

14 MR. BILL FELDMEIER: Thank you.

15 MR. S.L. SCHORR: Any further questions or
16 comments by the Board?

17 MR. FELIPE ZUBIA: I, again, like the rest of the
18 Board, would like to thank everyone for coming out here.
19 And I guess in the spirit of education, as our Chair has
20 reminded us, they are not advocating for an initiative out
21 there.

22 A couple comments that were made that I would
23 like to respond to: One, I think I've heard a couple
24 comments, not only in this room but several others in
25 conversation that we have concerns with the plan. The

1 plan is not perfect, and I think that can be said about
2 any plan out there. But in all honesty, I think it is as
3 darn near perfect as we would ever get under any scenario.
4 I think people need to look at the plan closely and
5 understand what the intent is. And again, the intent is
6 the critical needs, what is critical to the state.

7 One of the things that I want to point out in
8 particular with the Coconino Yavapai area, one of the
9 needs is the I-17 and I-40. If you don't already know and
10 if you didn't notice by the maps, I-17 in this plan, in
11 this investment strategy, is planned to be six lanes from
12 Flagstaff, as well as I-40 east and west of Flagstaff, all
13 the way down to Maricopa County; all the way down into
14 Phoenix, frankly, because I think there's some portions in
15 Maricopa County that are already slated for six lanes.
16 That is a critical infrastructure need for this state as a
17 whole, and in particular for the Flagstaff and Yavapai
18 County areas.

19 Now, with that being said, I don't think what has
20 been highlighted enough in this plan, which people need to
21 start understanding, is that's just talking about the
22 statewide investment that is coming from, if you will, the
23 Board's pot of money. There's nearly another 50 percent
24 out there that is not represented on these maps that have
25 to do with local investment, whether it's local roads,

1 rail, transportation enhancements.

2 And to give you an example, what is not shown on
3 that plan is approximately \$51 million going to Prescott
4 alone, which is going to be to Prescott's own discretion
5 as to how that money is spent with regards to
6 transportation. Flagstaff over the 30 years stands to
7 gain 129 million through this plan, which, again, is
8 available for local discretion.

9 Now, with that being said, going to some of the
10 comments that Mr. Creedon and my esteemed former board
11 member, Mr. Husted, as well as another speaker from the
12 Yavapai County area, those local funds are at your own
13 discretion. So if there are local needs that you feel
14 needed to be put in this plan, there are funds there for
15 you to say: This needs to be funded, and we are going to
16 use our local funds to improve it.

17 So to take that a little bit further, and I am
18 sorry I am kind of going down this road, but take the 347,
19 for instance. If Maricopa, the City of Maricopa, feels
20 that that needs to be part of the plan and it's important
21 to them, they can use their money, which I think is around
22 \$19 million of their own local discretionary fund, to put
23 into 347. Now, they are going to be faced with the same
24 issues that we are faced on in this board, and that is, do
25 we listen to this local neighborhood group and use that

1 money to put in a street light, or do we spend the money
2 for the greater good of the community and put it on 347?

3 Those are the local decisions that we don't want
4 to be involved in that are better served by being
5 addressed at your local community level. So finally,
6 Mr. Rooney's comments, kind of bringing it all back
7 together, I think everybody in this room, that's incumbent
8 upon us, not only to have a passing acquaintance of the
9 plan, but to understand it. Understand what's in there
10 because it's not us here on the Board that is going to get
11 this investment strategy to the finish line. It's going
12 to be each one of these individual members in here who are
13 the transportation professionals, who are the people that
14 your friends and neighbors rely upon to understand the
15 plan.

16 So again, it is incumbent upon us here in this
17 room to understand it and really address those concerns
18 and comments that come up.

19 With that being said, Mr. Chairman, I just wanted
20 to make sure that everybody understood the plan and what's
21 in there.

22 MR. S.L. SCHORR: Bill.

23 MR. BILL FELDMEIER: I would like to follow up a
24 little bit on what Felipe said, because I think there is
25 another really important aspect of this plan, and that's

1 the ability to partner in with the state through
2 public-private partnership, as Victor mentioned. And
3 there's going to be a great deal of money available for
4 that. And it's a creative way to partner across the state
5 for projects that are going to be needed.

6 And I am really pleased to hear Margie Beach come
7 up and talk about the ability or the possibility, at
8 least, of putting forward a large sum of money with their
9 private funds and the possibility of sitting down and
10 having a discussion with the Director and others on the
11 staff to create a project like that to ease the traffic
12 load to their company. As she said, it's going to have an
13 impact on local roads. The fact that we are going to have
14 a special or dedicated portion of money out of this fund
15 for public-private partnership offers that opportunity a
16 lot further aspect, if you will, in terms of being a
17 distinct possibility than we have ever had in the past.

18 MR. S.L. SCHORR: Any further comments by the
19 Board?

20 Victor, would you like to have any closing
21 comments?

22 MR. VICTOR MENDEZ: You know, it was interesting
23 to listen to the comments. I took a lot of notes during,
24 and I always do that during board meetings so I don't have
25 to wait for the transcript. But I think the important

1 thing to keep in mind, and I think Felipe may have
2 mentioned it and maybe Mr. Schorr did too, the approach
3 here is, we took a look at critical needs. We took input
4 from everybody that we thought, given the short fuse of
5 the process, needed to be at the table. And then we have
6 gone out and actually have talked to countless people out
7 there, whether they be elected officials, community
8 leaders, members of the public, and transportation
9 professionals.

10 I've articulated to everyone here -- and
11 obviously you have an interest in transportation, that's
12 why you are here. I would say once again, we are facing a
13 critical stage here in terms of how we move forward in
14 transportation. And it's going to be incumbent upon all
15 of us to find those solutions. There is no silver bullet.
16 Like I mentioned, we have identified \$165 billion worth of
17 needs. In theory, this would fund a quarter of that. So
18 there's a lot more needs out there than we can imagine.
19 So the solution is out there.

20 Somebody mentioned the fuel tax. Looking at what
21 we are facing in terms of the fuel tax, you look at
22 national policies and state policies on fuel efficiency,
23 climate change, national security, let's stop using oil
24 from the Middle East. Everything is tending towards less
25 gas tax revenue. So we're at a critical stage, folks. We

1 need to try as experts and interest in the field of
2 transportation, we need to look toward the future and the
3 good of the state and the good of the nation. We need to
4 find some solutions.

5 And we are providing to you as a board and the
6 public a strategy that provides a solution. Is it
7 perfect? I hope that it's perfect to the tune of 42 and a
8 half billion dollars. But somebody yesterday asked me,
9 well, how perfect can it be? I just basically said, Well,
10 you know, if you were to give me 80 billion, 60 billion,
11 it would be that much more perfect. It's just an issue
12 that we all have to face. And as you envision for the
13 future what transportation means to the economy, to your
14 standard or quality of life for future generations. I
15 notice we have one young person in here. So you know,
16 those are the things that we are trying to address here.
17 Thank you.

18 MR. S.L. SCHORR: I would remind you of the
19 saying that perfect is sometimes the enemy of good. I
20 think it's a pretty good plan that we've come up with.

21 I would like to congratulate -- first of all, I
22 want to acknowledge Felipe Zubia's incredible efforts over
23 the past year. Felipe has been working as the Board's
24 representative with the framework studies and overseeing a
25 lot of this stuff and given us a lot of valuable

1 information.

2 I'd also like to congratulate the staff. I
3 chaired the Regional Transportation Authority in Pima
4 County when it first got going, the first chair. And we
5 had the luxury of having a year and a half or two years to
6 come up with a plan and to try to put it into a mode where
7 people might find it acceptable. ADOT has not had that
8 opportunity. They had a request to come up with a plan.
9 They have done so over a very short period of time. I was
10 rather a doubting Thomas when I was first told that they
11 were going to try to do this in this short time frame, and
12 that they would be shooting towards a possible goal in the
13 fall of this year.

14 I have watched with admiration and where the
15 staff and consultants and everyone who has had a hand in
16 this has come together on this. And I want to
17 congratulate everybody. We have come a long way in a very
18 short period of time.

19 Before wrapping it up, I would like to thank the
20 City of Flagstaff, Coconino County, and all of the folks
21 at Northern Arizona University who have allowed us to
22 enjoy these wonderful facilities at NAU. It is a
23 beautiful facility and we always like to come here.

24 And with that, if there is no further business
25 for the Board, I would ask for a motion to adjourn.

1 MR. BILL FELDMEIER: So moved.

2 MR. S.L. SCHORR: Moved, seconded and passed.

3 Thank you and good night.

4 (6:45 p.m.)

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6 I HEREBY CERTIFY that the foregoing was
7 taken before me, TANIS EASTRIDGE; that all proceedings had
8 upon the taking of said hearing were recorded and taken
9 down by me on a steno machine as backup and thereafter
10 reduced to writing by me; and that the foregoing 68 pages
11 contain a full, true, and correct transcript of said
12 record, all done to the best of my skill and ability.

14 WITNESS my hand this 16th day
15 of June, 2008.

19 TANIS EASTRIDGE
COURT REPORTER

24	_____) _____
	VICTOR MENDEZ, DIRECTOR) S.L. SCHORR, CHAIRMAN
25	ADOT) STATE TRANSPORTATION BOARD